

PROBLEMS BANK RECONCILIATION STATEMENT I (1-7)

Problem # 16.1: At year end, unrecorded interest expense due to creditors was Rs. 1,100 (payable in the next year). Prepare the adjusting entry at year end (12/31)

Adjusting Entry

Date		Account Title and Explanations	Ref	Amount	
				Debit	Credit
Dec	31				

Problem # 16.2: Prepaid Insurance account began the year with a balance of Rs. 230. During the year, insurance in the amount of Rs. 570 was purchased. At the end of the year March 31st, 2009 the amount of insurance still unexpired was Rs. 350. Prepare the year end adjusting entry

Adjusting Entry

Date		Account Title and Explanations	Ref	Amount	
				Debit	Credit
2009					
March	31				

Problem # 16.3: Wages are paid every Saturday for a five day work week (Mon – Fri; two days are unpaid and free). Wages are Rs. 2,000 per week. Prepare the adjusting entry on June 30, assuming July 1 falls on a Wednesday

Adjusting Entry

Date		Account Title and Explanations	Ref	Amount (Rs)	
				Debit	Credit

Problem # 16.4: At year end, unrecorded interest receivable from the Government bonds is Rs. 1,700. Prepare the adjusting entry

Adjusting Entry

Date		Account Title and Explanations	Ref	Amount	
				Debit	Credit

Problem # 16.5: On July 3, a deposit in the amount of Rs. 5,000 was received for services to be performed. By the end of the month, services in the amount of Rs. 1,200 were performed. Prepare journal entries for the original receipt of the deposit and the adjusting entry on 31st July.

General Journal

Date		Account Title and Explanations	Ref	Amount	
				Debit	Credit
July	3				
	31				

Problem # 16.6: On October 4, Smith Company rendered services valued at Rs. 11,000. The client will pay for the services November 1 and closing are done at the end of each month pass this transaction at the end of period

Adjusting Entry

Date		Account Title and Explanations	Ref	Amount	
				Debit	Credit
	31				

Problem # 16.7: The Supplies asset account began the year with a balance of Rs. 190. During the year, supplies in the amount of Rs. 490 were purchased. At the end of the year the inventory of supplies on hand was Rs. 220. Prepare the year end adjusting entry

Adjusting Entry

Date		Account Title and Explanations	Ref	Amount	
				Debit	Credit